

FABRIC PURCHASE MASTER AGREEMENT

This Agreement is made on the 27th of August 2025

BETWEEN:

- (1) Luen Thai Overseas Limited, a company incorporated in the Bahamas, with its registered office situated at Vistra Corporate Services Centre, Marlborough & Queen Streets, Nassau, New Providence, Bahamas ("**LTO**"); and
- (2) Shangtex Holding Co., Ltd.* (上海紡織(集團)有限公司), a company incorporated in the People's Republic of China, (the "**PRC**") with its registered office at No. 1488, Hongqiao Road, Changning District, Shanghai, 200336, the PRC ("**Shangtex**").

WHEREAS:

- A. LTO and its subsidiaries (collectively referred to as the "**LTO Group**") are engaged in the manufacturing and trading of apparel and accessories.
- B. Shangtex, together with its subsidiaries are collectively referred to as the ("**Shangtex Group**") is an investment holding company. Shangtex Group is principally engaged in the manufacturing and trading of apparels and accessories.
- C. The LTO Group intends to purchase fabric from the Shangtex Group from time to time pursuant to the terms of this Agreement.

IT IS HEREBY AGREED:

1. Subject to the approval of this Agreement and the transactions contemplated hereunder by the shareholders of the Luen Thai Holdings Limited ("**LTH**"), the term of this Agreement shall commence on 1 October 2025, and shall end on 31 December 2027, unless terminated earlier by an instrument signed by both parties or by either party by giving the other party not less than 30-day written notice.
2. During the term of this Agreement, the LTO Group shall purchase fabric from the the Shangtex Group pursuant to individual orders or purchase agreements setting out specific terms of the purchase transactions (the "**Purchase Transactions**"). The terms of the individual orders or purchase agreements will be consistent with the principles and the terms of the Fabric Purchase Master Agreement. If there is any conflict between the terms of an individual order or purchase agreement and the Fabric Purchase Master Agreement, the latter shall prevail.

3. The purchase price, payment time and method, and other specific terms or conditions (if any) for the Purchase Transactions shall be fixed by relevant parties in the individual agreements, individual contracts or purchase orders on a case-by-case basis provided always that:-
- (a) the price and terms of the individual order in respect of the Purchase Transactions will be on normal commercial terms, negotiated on an arm's length basis, set with reference to the market price and on similar basis as the Group transacts business with other independent third party suppliers (which in any event shall not be higher than those charged by independent third party suppliers on the Group for comparable goods) and shall be on terms which are no less favourable to the Group than those provided by independent third party suppliers;
 - (b) the Purchase Transactions will normally be settled in the form of cash payment on a monthly, quarterly or agreed period basis and shall be consistent with the payment terms in the market;
 - (c) the Group will also take into account the following factors when determining the purchase price payable by the Group under the individual orders in respect of the Purchase Transactions: (i) the prevailing market prices of similar products obtained through internal checks and research conducted by the Company; and (ii) the quality and prices of the products offered by other independent third party suppliers. For the avoidance of doubt, such pricing mechanism should apply to any orders issued during the term of the Fabric Purchase Master Agreement; and
 - (d) each order shall be conducted in compliance with the provisions of the Fabric Purchase Master Agreement.
4. The parties acknowledge that the transactions contemplated under this Agreement constitute continuing connected transactions for the LTH under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("**Listing Rules**") and agree that (a) the LTO Group's performance of its obligations hereunder shall be subject to and conditional upon the LTH's compliance of the Listing Rules in respect of continuing connected transactions, and (b) the LTO Group may at any time suspend its performance of any of its obligations hereunder until full compliance with the relevant Listing Rules.
5. Every notice and communication between the parties shall be in writing and in English and shall be sent by facsimile or delivered by hand or sent by courier to the following addresses of the parties, unless otherwise notified by the receiving party to the other parties in writing at least seven (7) days in advance of the change of address:

To LTO:

Address: Rooms 1001-1005, 10/F, Nanyang Plaza, 57 Hung To Road, Kwun Tong, Kowloon, Hong Kong (for the attention of Mr. Roy Chiu)

Facsimile no.: (852) 2171 5188

To Shangtex:

Address: No. 1488, Hongqiao Road, Changning District, Shanghai, 200336, the PRC (for the attention of Mr. Wang Weimin)

Facsimile no.: (86 21) 6351 9368

6. Any notice and communication between the parties shall be deemed to have been received:
 - (a) in the case of a facsimile, when confirmation of its transmission has been recorded on the sender's fax machine;
 - (b) in the case of a notice or communication delivered by hand, when left at the relevant party's address set out above or such other address as notified by the receiving party to the other parties in writing by not less than seven (7) days before the notice or communication is dispatched; and
 - (c) in the case of a notice or communication sent by courier, two (2) business days after posting it.
7. LTO confirms that it enters into this Agreement for itself and on behalf of the LTO Group. Shangtex confirms that it enters into this Agreement for itself and on behalf of the Shangtex Group.
8. This Agreement shall in all respects be interpreted and construed in accordance with and governed by Hong Kong law and each of the parties hereby irrevocably submits to the non-exclusive jurisdiction of the Hong Kong courts.
9. No one, other than the parties to this Agreement, shall have any right to enforce any of its terms, whether under the Contracts (Rights of Third Parties) Ordinance (Chapter 623 of the Laws of Hong Kong) or otherwise.
10. This Agreement may be signed in two or more counterparts, each of which shall be an original and all of which shall together constitute one and the same instrument.

For and on behalf of

Luen Thai Overseas Limited

By:

in the presence of



For and on behalf of

Shangtex Holding Co., Ltd

By:

in the presence of

